

82D CONGRESS
2d Session

} HOUSE OF REPRESENTATIVES {

REPORT
No. 2403

PAUL D. BANNING AND OTHERS

JULY 1, 1952.—Committed to the Committee of the Whole House and ordered to be printed

Mr. GOODWIN, from the Committee on the Judiciary, submitted the following

REPORT

[To accompany H. R. 8001]

The Committee on the Judiciary, to whom was referred the bill (H. R. 8001) for the relief of Paul D. Banning and others, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is that there be appropriated the sum of \$1,236.41, said sum to be credited to the accounts of chief disbursing officers to correct errors in their accounts.

STATEMENT OF FACTS

This bill was transmitted to the Speaker of the House of Representatives by the Secretary of the Treasury and referred to this committee for consideration.

After careful study the committee is of the opinion that the bill should be enacted, and recommends favorable consideration.

The report of the Secretary of the Treasury is as follows:

THE SECRETARY OF THE TREASURY,
Washington, May 21, 1952.

HON. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: There is transmitted herewith for the convenience of the appropriate committee a suggested draft of legislation covering relief for the chief disbursing officer and certain other officers and former officers of this Department for various unavailable items in their accounts. The Department has given careful consideration to the various items included in the suggested draft of legislation and recommends, in the interest of economy and good fiscal administration, that provision be made for clearance of the amounts of same from the fiscal officers' accounts. Such action will not affect the efforts of the Government to make recovery. Available evidence indicates that such officers acted in

entire good faith, and that they were not remiss in any respect in the exercise of their official duties. Moreover, the Treasury Department handles several hundred million financial transactions each year and a few errors are inevitable.

UNAVAILABLE ITEMS REQUIRING APPROPRIATION FROM THE GENERAL FUND OF THE TREASURY

This legislation would provide an appropriation of \$1,236.41 to cover the following items:

1. Overpayments by Paul D. Banning, chief disbursing officer----- \$422. 35
The details of the items making up the amount of \$422.35 are stated in the enclosed exhibit A.
2. Overpayments by E. J. Brennan, former chief disbursing officer----- 428. 46
The details of the items making up the amount of \$428.46 are stated in the enclosed exhibit B.
3. Overpayments by G. F. Allen, deceased, former chief disbursing officer.. 30. 70
The details of the items making up the amount of \$30.70 are stated in the enclosed exhibit C.
4. Overpayment by Don Iler, regional disbursing officer, New York, N. Y. 14. 90
The details of the item making up the amount of \$14.90 are stated in the enclosed exhibit D.
5. Counterfeit bills received----- 340. 00
The details of the items making up the amount of \$340 are stated in the enclosed exhibit E.

The payments and counterfeit collections by the foregoing officers for whom relief is requested appear to have been made in good faith and without negligence on their part.

The Department would appreciate it if you would lay the matter before the House of Representatives. A similar communication has been transmitted to the President of the Senate.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

E. H. FOLEY,
Acting Secretary of the Treasury.

EXHIBIT A.—*Statements showing detailed information regarding differences in the accounts of Paul D. Banning, chief disbursing officer, Division of Disbursement, Treasury Department, which are considered proper for relief through congressional action*

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Treasury, Bureau of Internal Revenue.	6-47556	Lewis Nathaniel....	March 1947....	\$10. 00	Check No. 12,480,486, symbol 306, was drawn in the Atlanta regional office on Mar. 14, 1947, in favor of Lewis Nathaniel for \$33.30 in payment of an item of \$3.30 on voucher No. 6-47556. On the same day check No. 12,480,451 was drawn in favor of Thomas W. Daniels for \$126.60 in payment of an item of \$156.60 on voucher No. 6-47555. The result was an overpayment and an underpayment each in the amount of \$30. The errors resulted from failure of the proofreader to detect the errors. Refunds totaling \$20 have been received. Efforts on the part of the Division of Disbursement and the Secret Service to collect the balance due of \$10 have been unsuccessful.
Do.....	7-91814	Edmund J. Mathews.	April 1947....	73. 60	Check No. 6,563,344, symbol 307, was drawn in the Chicago regional disbursing office on Apr. 5, 1947, in favor of Edmund J. Mathews, instead of Joseph Moldovan, the proper payee, in the amount of \$93.60. Refunds totaling \$20 have been received. Efforts to collect the unpaid balance have been unsuccessful.
Do.....	7-212759	Frank Kowalewski.	May 1947....	279. 40	Check No. 7,445,554, symbol 307, was drawn in the Chicago regional disbursing office on May 26, 1947, in favor of Frank Kowalewski, instead of William Alford, the proper payee, in the amount of \$279.40. The minor employee responsible for the error is no longer employed by the Division of Disbursement. Efforts by the Division of Disbursement, the Secret Service and the collector of internal revenue to collect the amount of the overpayment have been unsuccessful.
Do.....	6-428482	Marie Runion.....	April 1948....	59. 35	Check No. 20,884,209, symbol 306, was drawn in the Atlanta regional disbursing office on Apr. 14, 1948, in favor of Marie Runion, instead of to Daisy White Wampler, the proper payee, in the amount of \$59.35. Efforts by the Division of Disbursement and the Secret Service to collect the amount of the overpayment have been unsuccessful.
Total.....				422. 35	

EXHIBIT B.—Statements showing detailed information regarding differences in the accounts of E. J. Brennan, former chief disbursing officer, Division of Disbursement, Treasury Department, which are considered proper for relief through congressional action

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Treasury; Bureau of Internal Revenue.	7-233478	Sarah Chafee.....	April 1946.....	\$19.10	Check No. 19,973,226, symbol 207-3160, was drawn in the Chicago regional disbursing office on Apr. 16, 1946, in favor of Sarah Chafee, instead of to Thomas Warley, the proper payee, in the amount of \$19.10. Efforts of the Division of Disbursement and the Secret Service to collect the overpayment have been unsuccessful as the payee is 64 years old, unemployed, and has no assets.
Do.....	2-415758	William Clarke.....	May 1946.....	33.78	Check No. 21,995,740, symbol 202-3160, was drawn in the New York regional disbursing office on May 18, 1946, in favor of William Clarke in the amount of \$33.78 instead of to Lillian Clarke, the proper payee. The error apparently was due to a strike-over on the voucher of L over W. Efforts of the Division of Disbursement and the Secret Service to locate the payee and collect the overpayment have been unsuccessful.
Do.....	7-325294	Otto H. Stender.....	do.....	41.64	Check No. 1,720,371, symbol 207-3160, was drawn in the Chicago regional disbursing office on May 28, 1946, in favor of Otto H. Stender in the amount of \$41.64, instead of to Otto A. Stender, the proper payee. The check was inadvertently issued to the wrong payee due to the clerical error of a minor employee. Efforts to collect the amount of the overpayment from Otto H. Stender prior to his death on Feb. 15, 1947, were unsuccessful.
Do.....	6-356518	Nora Mae Roberts (Mrs. Jessie Allen)	June 1946.....	27.03	Check No. 10,388,551, symbol 206-3160, was drawn in the Atlanta regional disbursing office on June 14, 1946, in favor of Nora Mae Roberts in the amount of \$27.03 instead of to Mrs. Willette Boles, the proper payee. Efforts of the Division of Disbursement and the Secret Service to collect the amount of the overpayment from Nora Mae Roberts, now Mrs. Jessie Allen, have been unsuccessful.
Agricultural Production and Marketing Administration.	5-16773	Bruce Richards.....	July 1946.....	15.80	Check No. 1,809,368, symbol 205, was drawn by the Richmond regional disbursing office on July 22, 1946, for \$15.80 in favor of Bruce Richards, instead of to Brice Richards, the proper payee. Both parties resided on Rural Route 1, Russel Springs, Ky. The subordinate employee responsible for the error is no longer with the Division of Disbursement. Efforts by the Division of Disbursement and the Secret Service to collect the overpayment have been unsuccessful.
Interior Bureau of Indian Affairs..	15-72696	Avelino LaChappa..	October 1946..	291.11	Check No. 3,244,738, symbol 215, was drawn in the Los Angeles regional disbursing office on Oct. 21, 1946, in favor of Avelino LaChappa in the amount of \$311.11 although it had been punched and included in the approved total of voucher No. 15-72696 in the correct amount of \$20. The check was mutilated and the bank replacement card was cut in the amount of \$311.11 instead of \$20. Efforts of the Division of Disbursement to collect the amount of overpayment have been unsuccessful as Mr. LaChappa is crippled and cannot earn a living, has no property of value, and is on relief.
Total.....				428.46	

EXHIBIT C.—Statements showing detailed information regarding differences in the accounts of G. F. Allen, deceased, former chief disbursing officer, Division of Disbursement, Treasury Department, which are considered proper for relief through congressional action

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Federal Works Agency, Public Roads Administration.	-----	John W. Maxwell...	August 1943...	\$27. 50	Check No. 15,274 was drawn Aug. 25, 1943, in the amount of \$30.25 (Canadian dollars at 1.10 Canadian dollars per U. S. dollar) on the Canadian Bank of Commerce (White Horse Branch) to the order of John W. Maxwell. A duplicate check was approved by the Secretary of the Treasury on May 16, 1944, upon receipt of satisfactory evidence that the payee had not received the check and that a stoppage of payment had been issued against the check. It was later learned that the original check had been endorsed by John W. Maxwell, Floydada, Tex., on Nov. 15, 1943, and honored by the drawee bank on Nov. 23, 1943. The duplicate check was honored by the Canadian Bank of Commerce (Edmonton Branch) on June 14, 1944. It appears that the endorser of the original check was stationed at White Horse, while the correct payee was located at Edmonton. Efforts to locate the wrongful payee and to secure a refund have been unsuccessful.
Federal Works Agency, Works Progress Administration (now Liquidation of Work Projects Administration.)	-----	Anacleto Flores S...	November 1943.	3. 20	Check No. 2,071,289, symbol 88-730, was drawn on July 28, 1943, in favor of Anacleto Flores S. in the amount of \$3.20 and honored by the Treasurer of the United States in October, 1943. Since the check was reported as lost, a duplicate check No. 2,071,289 for \$3.20 was approved by the Secretary of the Treasury, was issued Nov. 2, 1943, and was honored by the Treasurer of the United States in January 1944. The second check was erroneously issued over symbol 72-14 instead of symbol 88-730. Each of the checks was issued to Anacleto Flores S., whose last known address was Guaynabo, P. R. All efforts to locate the payee and secure repayment of the amount of the overpayment have been unsuccessful.
Total.....	-----	-----	-----	30. 70	

EXHIBIT D.—Statement showing detailed information regarding differences in the accounts of Don Iler, regional disbursing officer, Division of Disbursement, Treasury Department, which is considered proper for relief through congressional action

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Treasury, Bureau of Internal Revenue.	258495	Charles S. Kurz.....	April 1949.....	\$14.90	Check No. 12,629,017, symbol 402, was drawn in the New York regional disbursing office, on Apr. 8, 1949, in the amount of \$14.90 in favor of Charles S. Kurz, instead of to John M. Stefanich, the rightful payee, who received check No. 12,629,018 in the amount of \$8.20. It is believed the erroneous issuance of the checks by a minor employee who is no longer employed in the Division of Disbursement, resulted from the use by the administrative agency of a complicated form to list the various items. Efforts to collect the amount of the overpayment from Mr. Kurz (now deceased) have been unsuccessful.
Total.....				14.90	

EXHIBIT E.—Statement showing details of counterfeit bills and notes received by employees of the Bureau of Internal Revenue, Treasury Department, in the course of official business and for which reimbursement was made from the personal funds of such employees

Name	Title	Office of collector	Amount
J. W. Bell.....	Cashier.....	Columbia, S. C.....	\$10
Ben Binkley.....	Window teller.....	Nashville, Tenn.....	10
Ottmar W. Epple.....	Stamp teller.....	Philadelphia, Pa.....	10
Adele Froussard.....	Teller.....	St. Louis, Mo.....	10
Caroline O. Gesner.....	Window teller.....	Philadelphia, Pa.....	10
Agatha M. Joy.....	Teller.....	Detroit, Mich.....	10
Rosetta H. Little.....	do.....	Springfield, Ill. (Decatur division).....	10
James A. Metzger.....	do.....	Indianapolis, Ind.....	10
Mary L. Milhollin.....	do.....	Indianapolis, Ind. (Muncie division).....	10
Edith G. Mohr.....	do.....	St. Paul, Minn. (Appleton, Wis., office).....	10
David R. Mooney, Jr.....	Mail clerk and relief teller.....	Syracuse, N. Y.....	10
Joseph C. Zoellner.....	Cashier.....	Toledo, Ohio.....	10
Bertha M. Barrett.....	Cash accounting clerk.....	Baltimore, Md.....	20
F. H. Bowden, Jr.....	Cashier.....	Jacksonville, Fla.....	20
Joan Conrad.....	Window teller.....	Toledo, Ohio.....	20
Mary Jane Davis.....	Stamp deputy collector.....	Richmond, Va. (Roanoke office).....	20
Edward J. Jerge.....	Window teller.....	Buffalo, N. Y.....	30
Ashton J. Daussat.....	Teller.....	New Orleans, La.....	30
A. L. Schwemm.....	Cashier.....	Pittsburgh, Pa.....	30
Joe V. Vandiver.....	do.....	Kansas City, Mo.....	30
Mildred F. Whartenby.....	Window teller.....	Toledo, Ohio.....	30
Total.....			340

